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SENSITIVE SIPDIS

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SUBJECT: MOVEMENT FOR CHANGE STUMBLES TOWARD ELECTION DAY

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11. (SBU) SUMMARY: The Movement for Change (PzP) lost its status as Montenegro's leading opposition party following leader Nebojsa Medojevic's third-place showing in the April 2008 presidential race. That defeat, the party's lack of coherent message, and Medojevic's controlling management style all contributed to a painful party schism in January, when several MPs and an unknown number of members departed to form the Democratic Center party (now running in alliance with the Liberal Party). The PzP heads into the March 29 parliamentary election with only six percent support, according to a March 18 poll, and its decline could leave a hole in Montenegro's political center. END SUMMARY.

Sharp Drop in Polls~

12. (SBU) Founded in 2006 as a pro-European alternative to the ruling Democratic Party of Socialists (DPS) and Serb nationalists, the PzP was Montenegro's leading opposition party after gaining 11 seats in its first election (in September 2006). However, party leader Nebojsa Medojevic's disappointing third place showing in the April 2008 presidential race precipitated a sharp drop in the PzP's poll numbers, from over 20 percent support in mid-2007 to less than ten percent today (according to a March 18 poll by the respected NGO CEDEM, the PzP is now supported by only six percent of likely voters).

~Leads to Sharp Break in Party

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- 13. (SBU) An extensive period of soul-searching following the April presidential election also contributed to a schism within the party: in January, former PzP Vice President Goran Batricevic, three other PzP MPs, and an unknown number of party activists split to form the Democratic Center party (which is running in alliance with the Liberal Party in the parliamentary election race).
- 14. (SBU) In recent conversations, Batricevic and other former party members pointed to two primary reasons for the schism:

--First, they disagreed with Medojevic over the party's strategic course. Critics have long accused Medojevic of putting political expediency ahead of principles, and in fact several of the party's founders left in 2006 when Medojevic - seeking not to offend Serb voters - declined to explicitly back Montenegrin independence. Several PzP members and sympathizers told us they were unhappy with Medojevic's peripatetic presidential campaign - in which he tried to be all things to all voters on Kosovo and other issues, and engaged in hyperbolic rhetoric about drug dealers running the country. Batricevic said the last straw was when Medojevic threw in his lot with Serb nationalists by appearing at an October 2008 protest against the GoM's recognition of Kosovo.

--Second, they objected to Medojevic's propensity to take decisions without consulting other party leaders. One former PzP MP and presidency member told us that Medojevic's management style, rather than any single incident (although "defeat sharpens all disagreements"), was the problem. "I simply got tired of learning of party decisions from the newspaper," the MP said. Batricevic said he had tried to establish a political council - a core group within the party's presidency - to rein in Medojevic, but had been outvoted by Medojevic supporters.

15. (SBU) For their part, Medojevic loyalists claim that Batricevic and his allies were trying to move the PzP out of the opposition. MP and party spokesman Koca Pavlovic claimed to us that the splinter group was funded by daily newspaper "Vijesti's" financial backers, who were looking to make peace with the DPS after vociferously opposing the GoM. (According to Pavlovic, the "Vijesti" group, which included editor Zeljko Ivanovic, had found themselves shut out of commercial deals.)

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How Bad is the Damage?

16. (SBU) By most accounts, the schism has seriously hurt the party. One former PzP MP told us that seven members of the 17-person party presidency had left, and another source close to the party claimed that PzP functionaries in Podgorica and Niksic, Montenegro's two largest municipalities, would defect en masse to the Democratic Center. And an MP from another party told us in February that a Medojevic loyalist had conceded to him privately that half the party's members were on the fence over whether to remain. (Note: Batricevic was much less confident. "While 90 percent of the party supports me," he told us, "I don't expect many to leave.")

¶7. (SBU) Furthermore, our interlocutors both within and close to the party tell us that remaining PzP members and supporters are exhausted and dispirited after a year of setbacks and the bitter rift with Batricevic and his group. For the parliamentary election campaign, this has affected both fund-raising – a critical issue for a party which borrowed heavily to promote Medojevic's presidential run, and whose coffers are now bare – and also the enthusiasm and willingness of PzP cadres to throw themselves into promoting their party.

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- 18. (SBU) With less than two weeks remaining before election day, the PzP probably has enough gas in the tank to return to Parliament, but the sleek, gleaming vehicle that excited younger, moderate Montenegrins in 2006 and 2007 is now a battered clunker. In the course of the past year and a half, the party has managed to alienate potential supporters and members alike with its lack of a clear strategic vision and highly centralized decision-making. At the heart of the controversy over both policy and management is the mercurial and controlling Medojevic, now running a similar parliamentary election campaign focusing on corruption and allegations of fraud as in his unsuccessful presidential race.
- 19. (SBU) With the PzP in decline, the mantle of centrist, opposition leadership has passed to the Socialist People's Party (SNP), which is poised to make big gains on March 29 but is still struggling to reconcile a more centrist, civic wing with older, Serb, and pro-Yugoslav members. Some former PzP supporters will gravitate toward the Democratic Center Liberal Party coalition, but it is unclear whether this alliance will make it over the three percent hurdle to enter Parliament (the March 18 CEDEM survey gives it 2.9 percent support). The bottom line is Montenegro's moderate opposition will remain fractured and weak in the next Parliament.